
SARACENS MULTI-ACADEMY TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 9
Governance statement	10 - 13
Statement on regularity, propriety and compliance	14
Statement of Trustees' responsibilities	15
Independent auditors' report on the financial statements	16 - 18
Independent reporting accountant's report on regularity	19 - 20
Statement of financial activities incorporating income and expenditure account	21
Balance sheet	22 - 23
Statement of cash flows	24
Notes to the financial statements	25 - 52

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	N Wray N Leslau G Banks G Chase
Trustees	C Alcock, CEO and Accounting Officer ¹ G Banks K Bell ¹ G Chase, Chairman A Evans, Vice Chairman C Flathers (resigned 22 May 2020) T Lee L Manning ¹ K Perry A Smith ¹ M Stevens, Principal (resigned 22 February 2020) M Velani ¹ A Gray R Shah (appointed 27 August 2020) H Trickett (appointed 27 August 2020)
	¹ member of the Audit Committee

Company registered number 10646649

Company name Saracens Multi-Academy Trust

Principal and registered office Saracens High School
Lanacre Avenue
London
NW9 5FN

Senior management team C Alcock, Chief Executive Officer
M Stevens, Principal
S Green, Vice Principal
E Smith, Acting Assistant Principal
C Edwards, Trust Business Manager

Independent auditors Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor
Radius House
51 Clarendon Road
Watford
Herts
WD17 1HP

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Bankers

Lloyds Bank
39 Threadneedle Street
London
EC2R 8AU

Solicitors

Stone King LLP
Boundary House
91 Charterhouse Street
London
EC1M 6HR

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period commencing on 1st September 2019 and ending on 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates a free school for pupils aged 11 to 19 serving a catchment area in Colindale. It has a potential pupil capacity of 1130 and had a roll of 482 in the school census on 1st October 2020.

Structure, governance and management

a. Constitution

Saracens Multi-Academy Trust ('SMAT') is a charitable company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Saracens Multi-Academy Trust are also the directors of the charitable company for the purpose of company law.

Details of the Trustees who served throughout the period are included in the Reference and administrative details on page 1.

b. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before he/she ceases to be a member.

c. Trustees' indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on School and Trust business. The Risk Protection Arrangement provides cover up to £10,000,000 on any one claim.

d. Method of recruitment and appointment or election of Trustees

Up to 9 Trustees, some of whom are the members of the Charitable Company for the purpose of company law, are nominated by the Members to the Board of Trustees. The articles of association require that there are at least 3 Trustees, but there is no maximum number. The Chief Executive Officer, if he or she agrees to be a Trustee may also be a member of the Board. The Trustees may also co-opt Trustees.

With the exception of the Chief Executive Officer, Trustees are appointed for a fixed term of four years, but are eligible for re-election at the end of the fixed term. The time limit does not apply to the Chief Executive Officer.

Following a skills audit, the Trust Board identified a need to recruit additional Trustees with knowledge and experience of primary education. Two suitable candidates were identified and headhunted. They successfully completed an application and interview process and were co-opted to the Board on 26th August 2020 under Article 58 of the Articles of Association.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

New Trustees and Governors receive induction training and support from the CEO and Clerk to the Governing Body. Ongoing training is mandatory for all trustees and Governors and those undertaking specific roles undertake further appropriate subject training. All Trustees and Governors undertake mandatory safeguarding training every year.

f. Organisational structure

The Multi Academy Trust is governed by a Board of Trustees constituted under a Memorandum of Association and Articles of Association. The Board is responsible for ensuring that high standards of governance are maintained. It exercises its powers and functions with a view to fulfilling a largely strategic role in the running of the MAT, addressing matters such as:

- Policy development and strategic direction
- Ensuring compliance with legal requirements
- Ensuring sound management and administration
- Establishing and maintaining effective internal controls
- Management of all resources
- Monitoring of schools' performance and
- Assessing and managing risk.

The Trust operates in accordance with a formal scheme of delegation and system of internal financial controls. The scheme defines the responsibilities of the Board, LGB, CEO and Principal.

From 1st September 2018, the Trustees delegated a number of functions to a Local Governing Body ("LGB"). The LGB is responsible for monitoring key aspects of the school's performance such as progress and attainment of pupils, quality of teaching and behaviour and safety of pupils.

Governor Committees are informed by the Senior Leadership of the school. The Senior Leadership of the school is responsible for the school, its staff, its pupils and the education they receive.

Catherine Alcock was the Chief Executive Officer and Accounting Officer throughout the end of the accounting period.

g. Arrangements for setting pay and remuneration of key management personnel

The salaries of Key Management Personnel are evidence based and established from published data such as public sector pay scales, advertised salaries, salary surveys and media reports. The salaries of the CEO and Principal are set by the Board of Trustees. Salaries of other teaching members of SLT are based on national benchmarks for responsibility and size of school as well as experience of the individual. Progression for all key management personnel is based on the Trust's performance management system.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year -
Full-time equivalent employee number -

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £

Total cost of facility time	-
Total pay bill	1,560,507
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time - %
hours

i. Connected Organisations including related party relationships

Saracens Rugby Club sponsor the Multi-Academy Trust but have no part in the operational running of the schools.

One of the SMAT Trustees is a Director of Saracens Sports Foundation. Saracens Sports Foundation has no influence in the decisions of SMAT.

The Orion school, as part of the Goldstar Federation, is a related party with the Principal being a Trustee. The Federation has no control or significant influence over the decisions and operations of SMAT.

The School works closely with its strategic partners, Middlesex University, the Goldstar Federation, Watford Grammar School for Boys and the Worshipful Company of Arbitrators.

Objectives and activities

a. Objects and aims

SMAT's principal activity is to advance, for the public benefit, education in the United Kingdom, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

A further object is to promote the provision of facilities for recreation and other leisure activities for people living

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

close to the schools.

b. Objectives, strategies and activities

The main objective for the 2019/20 financial year was the successful growth of Saracens High School in its second year of operation. The school, which opened on 4th September 2018, is non-selective and provides education for pupils of different abilities between the ages of 11 and 19. This school opened with 157 pupils, rising to 309 in 2019/20 and 482 in 2020/21. It will grow organically as each year group is admitted to reach a total of 1130 pupils in 2024. The pupils are drawn from the local area in accordance with the local authority's admission arrangements, which the school has committed to until 2021.

The Trust also continued working towards opening of a primary school on the Grahame Park Estate, with an anticipated opening in September 2022.

c. Public benefit

In establishing Saracens High School, the charity acted in accordance with its objectives.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

Strategic report

a. Achievements and performance

During the accounting period 1st September 2019 to 31st August 2020, with only Year 7 and 8 cohorts on roll, the Saracens High School has no published data. The following highlights the achievements and performance over the first year of operation of Saracens High School.

The school's values, taken from the Saracens organisation, are discipline, hard work, honesty, and humility. The school has started to embed these values, for pupils to 'live' them in and out of school to enable them to take advantage of opportunities, responsibilities and experience of later life. These are particularly important given the profile of social disadvantage in the local community.

For the 2019 cohort pupils were, on entry, an average of 11 months behind their chronological age. The school is committed to ensuring that pupils can read in line with their chronological age by the end of Year 9.

In order to help pupils develop to be the best they can be, with a passion for making a positive contribution to their community, the trustees and governors believe that pupils must explore all their talents and experience a wide range of opportunities. To this end the school looks to ensure that the curriculum is broad, balanced, relevant, and personalised. Culture, character, and community are central to the ethos of the school, and all pupils are working towards qualifications in character education, with half the children in our first two cohorts competing the two-year qualification in one year.

The pastoral system has six houses, which are used to foster the feeling of family. Each house is split into two Learning Groups in each year, giving a ratio of 13 pupils to one Learning Coach. This promotes a strong family relationship between the Learning Coach and pupils and their families.

Most pupils live on the local estate and many have limited experience beyond it. Partnerships with Watford Grammar School for Boys, Mill Hill and Belmont Independent Schools provide opportunities for pupils to mix with

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

a. Achievements and performance (continued)

children from different backgrounds and provides a rich experience for all involved.

Extracurricular opportunities included regular trips (before lockdown), including going to the cinema to watch a film in Spanish, visiting a Hindu temple, the London Aquarium and London Eye, the RAF museum, a tapas restaurant and the Science Museum and bookshops for World Book Day. Trips were before lockdown supported by a varied programme of weekly activities offered by staff including a science club, global club, podcasting, language leaders, sports, arts and music clubs. Saracens Sports Foundation provided coaching for dance and rugby.

Covid-19 and the lockdown meant that we were unable to undertake the 'making memories' activities planned for the summer term. During the lockdown, the majority of pupils were working from home. Teachers were able to provide a full range of online lessons. However, not all pupils had the technology to access the lessons sufficiently. The school worked very hard to provide chromebooks to these pupils and this is something we continue to invest in for the coming year. Inevitable differences in attainment will need to be addressed including use of the Covid catch up premium in 2020/21. The majority of staff were able to work from home during the lockdown using school laptops and the school's cloud based systems. The school was open to the children of key workers throughout the lockdown. In July we were able to welcome the Year 6 children who would become our new Year 7s, in small socially distanced sessions, to meet staff and start getting to know our school. Some catch up sessions were also provided for pupils for whom we considered it most appropriate.

As the only school in the country associated with a professional sports team, promoting healthy and active lifestyles are important. Pupils in Years 7 and 8 have three PE lessons each week, opportunities to take part in a number of sports clubs, and through our family lunch, eat a healthy and nutritious meal every day.

Attendance in the second year was above average (96.2%) and persistent absence were below the national average.

a. Going concern

After making appropriate enquires, the Board of Trustees has a reasonable expectation that SMAT has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

b. Financial review

The vast majority of the Trust's incoming resources is obtained from the DfE via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants restricted to specific educational purposes. The Trust continues to receive set up resource funding and diseconomies funding as a new school. Saracens High School serves a catchment area where 64% of pupils are in receipt of Pupil Premium funding and this funding has enabled greater resources to be spent on educational support staff and materials, to support pupil interventions.

To facilitate the growth of the school and the new year group, capital funds from the ESFA were spent as follows: Information & Communications Technology £160k, Furniture & Fittings £7k, together with improvements to the temporary building of £29k. As this grant is deemed capital expenditure, all of the spend is shown in the Statement of Financial Activities as funding for the Academy's operations in the restricted fixed asset fund. In addition, £7K Devolved Formula Capital funding was used to purchase an A0 printer for displays and a robotics kits for the enhanced teaching of Computer Science.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

a. Achievements and performance (continued)

A large amount of unexpected donations and grants were gratefully received during the year. Of the £58k received, £22k was for the purpose of enhancing provision in music, art and PE, of which £16K was spent and which are shown as assets in the fixed asset fund. £30k, which had been donated to enable the school to provide enrichment activities over the last two years, remained unspent at the year end, due to lockdown.

a. Reserves policy

The Trust aims to operate a level of free reserves of around 7% of General Annual Grant funding in the first few years after opening. The Trust would, however, be comfortable with a level of reserves ranging from 5 to 9%. This is always to be balanced with the need to spend appropriate and sufficient monies in-year to enable the best educational outcomes for the current pupils.

The increase in restricted general funds for the year was £190k and the increase in unrestricted funds was £7k. This was larger than planned, due to the effects of lockdown meaning a number of activities had to be curtailed (for which donations had been received), catering costs were reduced and deliveries of resources was severely delayed. The school remained open to key workers during the lockdown, but the greater part of the building was able to close. This reduced costs such as energy and cleaning supplies, which also added to the surplus. The surplus is predominantly restricted, to be spent on educational purposes. The Trust expects the surplus to be lower in the subsequent academic year, bringing the reserves closer to planned levels.

The total restricted income reserves held by the Trust at 31st August 2020 are £487k and total unrestricted reserves £14k.

b. Investment policy

Where there are anticipated cash balances in excess of £100k at each month end for the following quarter, funds will be invested with banking institutions that are regulated by the FCA and with a rating of at least A-. The Trust will only invest funds in low risk and easily-accessible accounts. Funds will be placed in bank accounts with a withdrawal notice of no more than 12 weeks.

The Trust is therefore in the process of transferring £85k to another bank and will then consider whether a further transfer is appropriate.

c. Principal risks and uncertainties

To monitor and manage the strategic, operational, compliance and financial risks of the school, a comprehensive risk register has been developed which is reviewed regularly by Trustees.

The principal financial risk that may affect the School is:

Government funding

The School has considerable reliance on continued government funding through the ESFA. For the future there can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

This risk is mitigated in a number of ways:

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

- maintaining the positive relationships with the ESFA and DfE that developed successfully during the preopening phase;
- by ensuring the School is rigorous in delivering good value for money high quality education and training;
- identifying potential sources of funding through grant funding, donations and consultancy to supplement core ESFA funding.

g. Fundraising

In the development of the Trust the charity sought donations from known supporters of Saracens Rugby Club and registered the charity for gift aid. There were no public appeals for donations and no professional fundraisers were employed. All fundraising undertaken during the year was monitored by the Trustees.

h. Plans for future periods

Saracens High School opened in temporary accommodation in September 2018. The school is expected to move to its permanent site in 2021. The Trust is seeking to open Saracens Primary School in September 2022.

The High School's five year budget plan is intended to ensure that adequate resources are allocated to support the next phase of the build up of the school to full occupancy of 1130 pupils by 2025.

i. Funds held as custodian on behalf of others

There are no funds held as custodian trustee on behalf of others.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 3 December 2020 and signed on its behalf by:



.....
C Alcock
CEO

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Saracens Multi-Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

For the operational phase of the school the Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Saracens Multi-Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of trustees' responsibilities. The Board of Trustees has formally met 6 times during the year to 31st August.

Attendance during the year at meetings of the Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Kate Alcock, CEO and Accounting Officer	6	6
Gordon Banks	5	6
Katie Bell	6	6
Graham Chase, Chairman	5	6
Alan Evans, Vice Chairman	5	6
Alan Gray	5	6
Chris Flathers	1	2
Trevor Lee	6	6
Lee Manning	2	6
Kevin Perry	6	6
Reena Shah	1	1
Anthony Smith	6	6
Matthew Stevens, Principal	2	2
Hannah Trickett	1	1
Mitesh Velani	4	6

Two new trustees joined the board over the period. Prior to this the board undertook a skills audit to ensure that support was provided across a wide range of specialisms, including education.

The Board completed a complete review of governance in June 2019 and published a revised Governance Plan for the Trust. Following this, in early 2020 the Board undertook a full self-appraisal of its performance focussed on:

- how the Board itself worked and the Trustees understanding of their responsibilities
- the Board's role in setting the strategy and direction of the Trust
- Board governance

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The appraisal found that the Board, its officers and committees were operating effectively and were receiving accurate and detailed reports in a timely manner, but the Board was unclear as to whether it was successfully measuring the impact of its activities and this was seen as an area for development. Performance measures were under preparation and this was reflected in the school development plan.

The review showed that the Trust was achieving its charitable objectives, but not communicating this success well enough. Trustees were clear that the Board understood the strategic direction of the Trust and had clear objectives. However, there was a need to improve understanding of, and communication with, stakeholders. Governance of the Trust was strong, but there was a need for Trustees to keep abreast of educational developments. Trustees were satisfied that there were strong financial controls in place, the assets of the Trust were safeguarded and that risk was well managed. They were satisfied that the employees were supported and cared for within the legal framework, care was taken to avoid conflicts of interest and safeguarding practice was strong and embedded within the Trust.

The Trustees published the following action plan to address the areas identified for improvement:

- More directive training of Trustees, especially in educational developments.
- Better communication of Trust strategy and achievements of the Trust to stakeholders.
- Development of stakeholder matrix.
- Need to develop KPIs and to benchmark performance.
- Reinforcing the distinction of roles between the Board and senior executive leaders.
- A need to monitor the diversity of the Board and to build diversity in succession planning.
- Need to clarify the process of delegation to committees and the feedback to Board process.
- All Trustees to visit the school regularly and to give sufficient time to their role.

This plan has been implemented. A further review of governance is in process (Autumn 2020), encompassing the changes required by the Academies Financial Handbook 2020 and preparing for the opening of Saracens Primary School. Following the resignation of Chris Flathers, the Board identified a need to appoint two additional trustees with current expertise in primary education and following a recruitment process, identified and appointed Mrs Hannah Trickett and Mrs Reena Shah in August 2020.

The greatest challenge of the year has been operating during the coronavirus pandemic. Meetings continued remotely and additional emergency meetings were held to address risk specific issues. The school continued to operate remotely throughout the pandemic and with the support of the local authority, physically re-opened for groups of pupils in June 2020. The pandemic added significantly to the workload of Trust staff and the Board was mindful of the need to focus on key priorities, namely the safe operation of the school and the welfare of pupils and staff.

A Committee of the Trust during the accounting period was the Audit Committee. The Committee's purpose was to ensure the adequacy of financial systems of control and audit within the Trust and each academy and to oversee the appointment and instruction of the internal and external auditors.

Membership of the Audit Committee was as follows:

Trustee	Meetings attended	Out of a possible
Lee Manning	2	3
Mitesh Velani	3	3
Katie Bell	3	3
Peter Harvey	3	3
Anthony Smith	2	3

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by ensuring that goods and services used in setting up Saracens High School were procured in accordance with internal financial regulations and subject to strict tendering procedures, as necessary. Framework agreements were used where possible and discounts obtained wherever these could be negotiated.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Audit Committee has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Audit Committee is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ending 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Audit Committee.

The risk and control framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and monthly financial reports which are reviewed by the Trust Board;
- regular reviews by the Resources Committee of the Local Governing Body and the Trust Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks through a comprehensive risk register; and
- reviews by the internal auditor of the operation of controls in key accounting systems and reporting of outcomes to the Audit Committee.

The Board of Trustees has decided to buy-in an internal audit service from Cooper Parry for the 2019/20 financial year. Thereafter, a Responsible Officer has been appointed.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The scope of work undertaken by Cooper Parry included:

- An overview of the system of financial control, consisting of review of written policies and procedures, discussion with relevant staff and some limited walk through testing on key areas – income, procurement, payroll, month end reconciliations and management reporting;
- A review of timeliness and accuracy of accounting for income;
- A review of journals, to concentrate on appropriate use of journals, size, frequency and management override; and
- A review of estimated pupil numbers used for funding claims and the processes around estimating and monitoring of pupil numbers.

On an annual basis, the reviewer reports to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The internal auditor has delivered their schedule of work as planned. No material control issues were identified as a result of the work undertaken.


Review of effectiveness

As accounting officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance risk management process; and
- the monthly management accounts and cashflow.

The Accounting Officer will advise the Board of Trustees of the implications of their review of the system of internal control and a plans to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 3 December 2020 and signed on their behalf by:



.....
G Chase
Chairman



.....
C Alcock
CEO

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Saracens Multi Academy Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.



C Alcock
CEO
Date: 3 December 2020

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

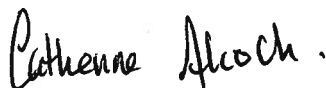
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 3 December 2020 and signed on its behalf by:



.....
C Alcock
CEO

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SARACENS MULTI-ACADEMY TRUST**

Opinion

We have audited the financial statements of Saracens Multi-Academy Trust (the 'academy trust') for the year ended 31 August 2020 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SARACENS MULTI-ACADEMY TRUST (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SARACENS MULTI-ACADEMY TRUST (CONTINUED)**

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of our report

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Alexander Bottom ACA (senior statutory auditor)

for and on behalf of
Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor
Radius House

51 Clarendon Road
Watford
Herts
WD17 1HP

Date: 15th December 2020

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SARACENS
MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 4 June 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Saracens Multi-Academy Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Saracens Multi-Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Saracens Multi-Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Saracens Multi-Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Saracens Multi-Academy Trust's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of Saracens Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 24 February 2018 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material misstatement and irregularity across the Academy Trust's activities.
- Testing and review of areas identified through risk assessment including enquiry, observation, inspection and review of supporting evidence.
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime.
- Consideration of evidence obtained through the work performed as part of our financial statements audit in order to support the regularity conclusion.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SARACENS
MULTI-ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Hillier Hopkins LLP

Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford
Herts
WD17 1HP

Date: *15th December 2020*

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants	3	-	58,843	20,566	79,408	120,631
Charitable activities	4	48,194	2,728,369	-	2,776,563	1,546,104
Other trading activities	5	2,646	9,934	-	12,580	14,585
Investments	6	531	-	-	531	158
Total income		51,371	2,797,146	20,566	2,869,083	1,681,478
Expenditure on:						
Charitable activities	7	45,062	2,753,496	154,296	2,952,854	1,566,668
Total expenditure		45,062	2,753,496	154,296	2,952,854	1,566,668
Net movement in funds before other recognised gains/(losses)		6,309	43,650	(133,730)	(83,771)	114,810
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(44,000)	-	(44,000)	(52,000)
Net movement in funds		6,309	(350)	(133,730)	(127,771)	62,810
Reconciliation of funds:						
Total funds brought forward		7,463	195,063	800,085	1,002,611	939,801
Net movement in funds		6,309	(350)	(133,730)	(127,771)	62,810
Total funds carried forward		13,772	194,713	666,355	874,840	1,002,611

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 25 to 52 form part of these financial statements.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10646649

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	326,802	238,964
		<u>326,802</u>	<u>238,964</u>
Current assets			
Debtors	15	535,717	636,644
Cash at bank and in hand		594,019	361,218
		<u>1,129,736</u>	<u>997,862</u>
Creditors: amounts falling due within one year	16	(270,699)	(132,215)
Net current assets		<u>859,037</u>	<u>865,647</u>
Total assets less current liabilities		<u>1,185,839</u>	<u>1,104,611</u>
Net assets excluding pension liability		<u>1,185,839</u>	<u>1,104,611</u>
Defined benefit pension scheme liability	23	(311,000)	(102,000)
Total net assets		<u><u>874,839</u></u>	<u><u>1,002,611</u></u>

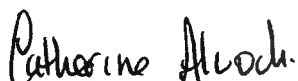
SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10646649

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	666,355	800,085
Restricted income funds	17	505,712	297,063
Restricted funds excluding pension asset	17	<u>1,172,067</u>	<u>1,097,148</u>
Pension reserve	17	<u>(311,000)</u>	<u>(102,000)</u>
Total restricted funds	17	861,067	995,148
Unrestricted income funds	17	13,772	7,463
Total funds		<u><u>874,839</u></u>	<u><u>1,002,611</u></u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 21 to 52 were approved by the Trustees, and authorised for issue on 03 December 2020 and are signed on their behalf, by:



.....
C Alcock
 CEO

The notes on pages 25 to 52 form part of these financial statements.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	19	467,822	368,701
Cash flows from investing activities	20	(235,021)	(168,791)
Change in cash and cash equivalents in the year		232,801	199,910
Cash and cash equivalents at the beginning of the year		361,218	161,308
Cash and cash equivalents at the end of the year	21, 22	<u>594,019</u>	<u>361,218</u>

The notes on pages 25 to 52 form part of these financial statements

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

• **Sponsorship income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.3 Income (continued)

• **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

• **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the academy trust has provided the goods or services.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

• **Charitable activities**

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the statement of financial activities as the related expenditure is incurred.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.7 Tangible fixed assets

Assets costing £2,000 or more with a useful life of more than one year are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Furniture and equipment	- over 4 years
Computer equipment	- over 3 years

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.11 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.11 Financial instruments (continued)

liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.12 Pensions

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.13 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Investment income, gains and losses are allocated to the appropriate fund.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Academy Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The pension scheme deficit has been valued as the present value of deficit payments, which is not expected to be materially different from an actuarial valuation.

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Donations	-	58,843	-	58,843
DfE/ESFA capital grants	-	-	20,566	20,566
	<u>-</u>	<u>58,843</u>	<u>20,566</u>	<u>79,409</u>

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

3. Income from donations and capital grants (continued)

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Restricted fixed asset funds 2019 £</i>	<i>Total funds 2019 £</i>
Donations	753	67,530	-	68,283
DfE/ESFA capital grants	-	-	52,348	52,348
	<u>753</u>	<u>67,530</u>	<u>52,348</u>	<u>120,631</u>

4. Funding for the Academy's educational activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
DfE/ESFA grants			
General Annual Grant	-	2,158,358	2,158,358
Other DfE Income	-	296,650	296,650
Start up Grant	-	173,500	173,500
	<u>-</u>	<u>2,628,508</u>	<u>2,628,508</u>
Other government grants			
SEN Higher Needs	-	79,202	79,202
	<u>-</u>	<u>79,202</u>	<u>79,202</u>
Other funding			
Catering Income	42,560	-	42,560
Trip income	-	15,922	15,922
Other income	5,634	1,667	7,301
	<u>48,194</u>	<u>-</u>	<u>65,783</u>
Exceptional government funding			
Coronavirus exceptional support	-	3,070	3,070
	<u>48,194</u>	<u>2,728,369</u>	<u>2,776,563</u>

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. Funding for the Academy's educational activities (continued)

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
DfE/ESFA grants			
General Annual Grant	-	1,155,065	1,155,065
Other DfE Income	-	127,759	127,759
Start up Grant	-	167,500	167,500
	-	1,450,324	1,450,324
Other government grants			
SEN Higher Needs	-	47,526	47,526
Other local authority	-	2,900	2,900
	-	50,426	50,426
Other funding			
Catering income	34,107	-	34,107
Trip income	-	3,000	3,000
Other income	1,210	7,037	8,247
	35,317	10,037	45,354
	35,317	1,510,787	1,546,104

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

The funding received for coronavirus exceptional support covers £3,070 of cleaning costs. These costs are included in notes 7 and 9 below as appropriate.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. Income from other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Consultancy Income	2,646	-	2,646
Other Income	-	9,934	9,934
	<u>2,646</u>	<u>9,934</u>	<u>12,580</u>
	<u><u>2,646</u></u>	<u><u>9,934</u></u>	<u><u>12,580</u></u>
	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Consultancy Income	4,955	-	4,955
Other Income	272	9,358	9,630
	<u>5,227</u>	<u>9,358</u>	<u>14,585</u>
	<u><u>5,227</u></u>	<u><u>9,358</u></u>	<u><u>14,585</u></u>

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Bank interest	<u>531</u>	<u>531</u>
	<u><u>531</u></u>	<u><u>531</u></u>
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Bank interest	<u>158</u>	<u>158</u>
	<u><u>158</u></u>	<u><u>158</u></u>

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Educational Activities:				
Direct costs	1,695,696	-	171,652	1,867,348
Allocated support costs	372,362	92,215	620,929	1,085,506
Total 2020	2,068,058	92,215	792,581	2,952,854

	<i>Staff Costs 2019 £</i>	<i>Premises 2019 £</i>	<i>Other 2019 £</i>	<i>Total 2019 £</i>
Educational Activities:				
Direct costs	801,201	-	99,393	900,594
Allocated support costs	285,032	62,054	318,988	666,074

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Educational Activities	1,867,348	1,085,506	2,952,854

	<i>Activities undertaken directly 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Educational Activities	900,594	666,074	1,566,668

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational activities 2020 £	Total funds 2020 £
Staff costs	1,695,695	1,695,695
Teaching and educational supplies	129,672	129,672
Examination fees	923	923
Staff development	9,010	9,010
Technology costs	3,652	3,652
Educational consultancy	8,142	8,142
Travel and subsistence	15,201	15,201
Maintenance of premises	3,590	3,590
Rent and rates	723	723
Cleaning	200	200
Administration costs	540	540
	<u>1,867,348</u>	<u>1,867,348</u>
	<i>Educational activities 2019 £</i>	<i>Total funds 2019 £</i>
Staff costs	801,201	801,201
Teaching and educational supplies	81,885	81,885
Examination fees	690	690
Staff development	5,142	5,142
Educational consultancy	8,913	8,913
Travel and subsistence	2,763	2,763
	<u>900,594</u>	<u>900,594</u>

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational activities 2020 £	Total funds 2020 £
Pension finance costs	3,000	3,000
Staff costs	535,242	535,242
Depreciation	154,296	154,296
Teaching and educational supplies	2,115	2,115
Catering costs	111,436	111,436
Staff development	5,295	5,295
Technology costs	65,661	65,661
Travel and subsistence	1,391	1,391
Marketing	2,528	2,528
Maintenance of premises	42,837	42,837
Rent and rates	17,709	17,709
Other staff costs	14,665	14,665
Insurance	23,563	23,563
Agency staff	6,045	6,045
Governance	28,266	28,266
Energy	31,669	31,669
Administration costs	27,600	27,600
Legal and professional fees	12,188	12,188
	<u>1,085,506</u>	<u>1,085,506</u>

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Educational activities</i>	<i>Total funds</i>
	2019	2019
	£	£
Pension finance costs	1,000	1,000
Staff costs	285,032	285,032
Depreciation	91,377	91,377
Teaching and educational supplies	24,875	24,875
Catering costs	76,891	76,891
Staff development	5,094	5,094
Technology costs	42,662	42,662
Travel and subsistence	376	376
Marketing	3,902	3,902
Maintenance of premises	23,963	23,963
Rent and rates	11,692	11,692
Other staff costs	10,672	10,672
Insurance	12,464	12,464
Governance	12,846	12,846
Energy	26,399	26,399
Administration costs	25,840	25,840
Legal and professional fees	10,989	10,989
	<u>666,074</u>	<u>666,074</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020	2019
	£	£
Operating lease rentals	4,875	5,687
Depreciation of tangible fixed assets	154,296	91,377
Fees paid to auditors for:		
- audit	7,500	6,500
- other services	2,700	1,750
	<u>7,500</u>	<u>6,500</u>
	<u>2,700</u>	<u>1,750</u>

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	1,561,387	821,104
Social security costs	154,021	79,215
Pension costs	515,530	185,914
	<u>2,230,938</u>	<u>1,086,233</u>
Agency staff costs	6,045	-
	<u><u>2,236,983</u></u>	<u><u>1,086,233</u></u>

b. Staff numbers

The average number of persons employed by the Academy Trust during the year was as follows:

	2020 No.	2019 No.
Teachers	21	16
Admin and support	24	7
Management	5	4
	<u>50</u>	<u>27</u>

c. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
In the band £60,001 - £70,000	1	-
In the band £80,001 - £90,000	1	1
	<u><u>1</u></u>	<u><u>1</u></u>

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

10. Staff (continued)

d. Key management personnel (continued)

pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £371,758 (2019 £245,601).

11. Central services

No central services were provided by the Academy Trust to its academies during the year and no central charges arose.

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2020	2019
		£	£
M Stevens*	Remuneration	40,000 - 45,000	<i>80,000 - 85,000</i>
	Pension contributions paid	10,000 - 15,000	<i>10,000 - 15,000</i>
C Alcock	Remuneration	35,000 - 40,000	<i>20,000 - 25,000</i>
	Pension contributions paid	5,000 - 10,000	<i>5,000 - 10,000</i>

M Stevens resigned as a Trustee on 22 February 2020*.

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

13. Trustees' and Officers' insurance

The Academy Trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14. Tangible fixed assets

	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 September 2019	114,683	220,255	334,938
Additions	62,792	179,342	242,134
At 31 August 2020	177,475	399,597	577,072
Depreciation			
At 1 September 2019	27,355	68,619	95,974
Charge for the year	42,019	112,277	154,296
At 31 August 2020	69,374	180,896	250,270
Net book value			
At 31 August 2020	108,101	218,701	326,802
At 31 August 2019	87,328	151,636	238,964

15. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	-	2,226
Other debtors	13,895	20,091
Prepayments and accrued income	521,822	614,327
	535,717	636,644

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	16,044	47,724
Other taxation and social security	90,087	34,643
Other creditors	9	391
Accruals and deferred income	164,559	49,457
	<u>270,699</u>	<u>132,215</u>
	<u>270,699</u>	<u>132,215</u>
	2020	2019
	£	£
Deferred income at 1 September 2019	8,425	-
Resources deferred during the year	41,495	8,425
Amounts released from previous periods	(8,425)	-
	<u>41,495</u>	<u>8,425</u>
	<u>41,495</u>	<u>8,425</u>

At the balance sheet date the Academy Trust was holding funds received in advance for DfE grant income relating to the school year 2020/21.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

17. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds	7,463	51,371	(45,062)	-	-	13,772
Restricted general funds						
General Annual Grant (GAG)	115,410	2,158,358	(2,038,582)	-	-	235,186
Other DfE grants	12,017	296,650	(286,351)	-	-	22,316
Start Up Grant	94,454	173,500	(173,500)	-	-	94,454
Other income	75,182	168,637	(90,063)	-	-	153,756
Pension reserve	(102,000)	-	(165,000)	-	(44,000)	(311,000)
	<u>195,063</u>	<u>2,797,145</u>	<u>(2,753,496)</u>	<u>-</u>	<u>(44,000)</u>	<u>194,712</u>
Restricted fixed asset funds						
Restricted fixed assets	238,964	-	(154,296)	242,134	-	326,802
ESFA capital grants	561,121	20,566	-	(242,134)	-	339,553
	<u>800,085</u>	<u>20,566</u>	<u>(154,296)</u>	<u>-</u>	<u>-</u>	<u>666,355</u>
Total Restricted funds	<u>995,148</u>	<u>2,817,711</u>	<u>(2,907,792)</u>	<u>-</u>	<u>(44,000)</u>	<u>861,067</u>
Total funds	<u>1,002,611</u>	<u>2,869,082</u>	<u>(2,952,854)</u>	<u>-</u>	<u>(44,000)</u>	<u>874,839</u>

The specific purposes for which the funds are to be applied are as follows:

The General Annual Grant (GAG) represents the core funding for the educational activities of the Academy that has been provided via the Education & Skills Funding Agency (ESFA) by the Department for Education. The GAG fund must be used for the normal running costs of the Academy.

Pupil Premium, included within other DfE Grants, are funds allocated to academies with pupils that are known to be eligible for free school meals and pupils who have been in local authority care, e.g. adopted children. The purpose is to raise attainment for pupils from low income families.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Statement of funds (continued)

The Start Up Grants represent funding from the the Government to cover the costs of academy conversion for joining schools.

SEN High Needs, included within Local Authority Grants, are funds allocated to academies for pupils with special educational needs from the local authority.

The pension reserve represents the net position on the LGPS defined benefit pension scheme.

The Restricted Fixed Asset Fund includes all fixed assets greater than £2,000. Depreciation charged on the assets is allocated to the fund. Transfers in to the fixed asset fund relates to fixed asset additions funded from unrestricted funds.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020	2019
	£	£
Saracens High School	519,484	304,526
Restricted fixed asset fund	666,355	800,085
Pension reserve	(311,000)	(102,000)
Total	874,839	1,002,611

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

17. Statement of funds (continued)

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
Saracens High School	<u>1,695,695</u>	<u>536,242</u>	<u>129,672</u>	<u>436,950</u>	<u>2,798,559</u>

Comparative information in respect of the preceding year is as follows:

	<i>Teaching and educational support staff costs £</i>	<i>Other support staff costs £</i>	<i>Educational supplies £</i>	<i>Other costs excluding depreciation £</i>	<i>Total 2019 £</i>
Saracens High School	<u>801,201</u>	<u>286,032</u>	<u>81,885</u>	<u>306,173</u>	<u>1,475,291</u>

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Statement of funds (continued)

Comparative information in respect of the preceding year is as follows:

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
Unrestricted funds						
General Funds	2,059	41,455	(36,051)	-	-	7,463
Restricted general funds						
General Annual Grant (GAG)	-	1,155,065	(1,039,655)	-	-	115,410
Other DfE grants	-	127,759	(115,742)	-	-	12,017
Start up Grant	87,628	167,500	(160,674)	-	-	94,454
Local Authority grants	-	50,426	(50,426)	-	-	-
Other income	21,000	86,925	(32,743)	-	-	75,182
Pension reserve	(10,000)	-	(40,000)	-	(52,000)	(102,000)
	<u>98,628</u>	<u>1,587,675</u>	<u>(1,439,240)</u>	<u>-</u>	<u>(52,000)</u>	<u>195,063</u>
Restricted fixed asset funds						
Restricted fixed assets	109,044	-	(91,377)	221,297	-	238,964
ESFA capital grant	730,070	52,348	-	(221,297)	-	561,121
	<u>839,114</u>	<u>52,348</u>	<u>(91,377)</u>	<u>-</u>	<u>-</u>	<u>800,085</u>
Total Restricted funds	<u>937,742</u>	<u>1,640,023</u>	<u>(1,530,617)</u>	<u>-</u>	<u>(52,000)</u>	<u>995,148</u>
Total funds	<u><u>939,801</u></u>	<u><u>1,681,478</u></u>	<u><u>(1,566,668)</u></u>	<u><u>-</u></u>	<u><u>(52,000)</u></u>	<u><u>1,002,611</u></u>

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	326,802	326,802
Current assets	43,327	746,855	339,554	1,129,736
Creditors due within one year	-	(270,699)	-	(270,699)
Provisions for liabilities and charges	-	(311,000)	-	(311,000)
Difference	(29,555)	29,556	(1)	-
Total	13,772	194,712	666,355	874,839

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Restricted fixed asset funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	-	-	238,964	238,964
Current assets	7,463	429,278	561,121	997,862
Creditors due within one year	-	(132,215)	-	(132,215)
Provisions for liabilities and charges	-	(102,000)	-	(102,000)
Total	7,463	195,063	800,085	1,002,611

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2020 £	2019 £
Net (expenditure)/income for the period (as per statement of financial activities)	<u>(83,771)</u>	<u>114,810</u>
Adjustments for:		
Depreciation	154,296	91,377
Capital grants from DfE and other capital income	(6,582)	(52,348)
Interest receivable	(531)	(158)
Defined benefit pension scheme finance cost	165,000	40,000
Decrease in debtors	100,926	188,451
Increase/(decrease) in creditors	138,484	(13,431)
Net cash provided by operating activities	<u><u>467,822</u></u>	<u><u>368,701</u></u>

20. Cash flows from investing activities

	2020 £	2019 £
Dividends, interest and rents from investments	531	158
Purchase of tangible fixed assets	(242,134)	(221,297)
Capital grants from DfE Group	6,582	52,348
Net cash used in investing activities	<u><u>(235,021)</u></u>	<u><u>(168,791)</u></u>

21. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	594,019	361,218
Total cash and cash equivalents	<u><u>594,019</u></u>	<u><u>361,218</u></u>

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

22. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	361,218	232,801	594,019
	361,218	232,801	594,019
	361,218	232,801	594,019

23. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Barnet Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2016.

Contributions amounting to £1,511 were payable to the schemes at 31 August 2020 (2019 - £ -) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

23. Pension commitments (continued)

- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £244,926 (2019 - £81,353).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £136,000 (2019 - £82,000), of which employer's contributions totalled £108,000 (2019 - £66,000) and employees' contributions totalled £ 28,000 (2019 - £16,000). The agreed contribution rates for future years are 23.8 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note 1.12 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	2.9	2.6
Discount rate for scheme liabilities	1.7	1.9
Inflation assumption (CPI)	2.2	2.3

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

23. Pension commitments (continued)

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.7	21.0
Females	24.0	23.3
<i>Retiring in 20 years</i>		
Males	22.9	22.3
Females	25.7	25.1

Share of scheme assets

The Academy Trust's share of the assets in the scheme was:

	2020	2019
	£	£
Equities	111,400	50,400
Corporate bonds	59,700	28,800
Property	10,000	2,700
Cash and other liquid assets	17,900	8,100
Total market value of assets	199,000	90,000

The actual return on scheme assets was £3,000 (2019 - £3,000).

The amounts recognised in the Statement of financial activities are as follows:

	2020	2019
	£	£
Current service cost (net of prior period adjustment)	(270,000)	(105,000)
Interest income	3,000	1,000
Interest cost	(6,000)	(2,000)
Total amount recognised in the Statement of financial activities	(273,000)	(106,000)

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

23. Pension commitments (continued)

Changes in the present value of the defined benefit obligations were as follows:

	2020 £	2019 £
At 1 September	192,000	10,000
Current service cost	270,000	105,000
Interest cost	6,000	2,000
Employee contributions	28,000	16,000
Actuarial losses	14,000	54,000
Opening balance adjustment	-	5,000
At 31 August	510,000	192,000

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2020 £	2019 £
At 1 September	90,000	-
Interest income	3,000	1,000
Actuarial (losses)/gains	(30,000)	2,000
Employer contributions	108,000	66,000
Employee contributions	28,000	16,000
Opening balance adjustment	-	5,000
At 31 August	199,000	90,000

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

24. Operating lease commitments

At 31 August 2020 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	5,507	5,507
Later than 1 year and not later than 5 years	5,507	11,013
	<u>11,014</u>	<u>16,520</u>

On 16 May 2018 the trust was granted a 4 year lease from the London Borough of Barnet for a peppercorn rent. The lease cannot be assigned or any part of the premises sublet and therefore the Trustees are of the opinion that it therefore has no commercial value. As a result, a market value cannot be assigned and therefore no donation nor rental expense have been recognised in these accounts.

25. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

SARACENS MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

26. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The Academy Trust purchased educational consultancy services of £1,063 (2019: £863) in the period from Saracens Sport Foundation. G Banks, a Trustee, is the Chief Community Officer and a director of Saracens Sport Foundation. At the year end, £nil (2019: £nil) was outstanding.

During the year, a donation of £20,000 was received from the Priory Foundation, an entity in which N Wray, a member, is a Trustee.

During the year, a donation of £21,717 was received from Saracens Rugby Club, of which N Wray, was a Director.

During the year, a donation of £8,000 was received from Chase & Partners LLP, an entity in which G Chase, a Trustee, is a partner.

During the year, a donation of £8,000 was received from the Worshipful Company of Arbitrators (City of London livery company), an entity in which G Chase, a Trustee, is a Member of the Court.